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No.

Supreme Court, U.S.

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IN THE
Supreme Court of the United States

OCTOBER TERM, 1989

ENCO MANUFACTURING COMPANY, INC.,

Petitioner,

vs.

CLAMP MANUFACTURING COMPANY, INC.,

Respondent.

**PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF
APPEALS FOR THE NINTH CIRCUIT
AND APPENDIX**

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QUESTIONS PRESENTED FOR REVIEW

1. Does federal and state trademark protection of the overall configuration of a utilitarian product offend the federal patent and trademark statutes and the Patent Clause of the Constitution where the product is the subject of an expired patent and the product configuration has not been registered, advertised, or promoted as a trademark?

2. Should the ultimate issue of likelihood of confusion, which is determinative of every trademark infringement case, be one of law which is fully reviewable on appeal, rather than one of fact, which is subject to the "clearly erroneous" standard, particularly where the claimed trademark is an overall product configuration and the decision results in a perpetual product monopoly?

3. Should an appellate court remand a trial court's decision which fails to make any findings of fact or conclusions of law as to a potentially valid affirmative defense or even mention the defense, especially where the defense is one which is addressed to the discretion of the trial court?

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No.

In The
SUPREME COURT OF THE
UNITED STATES

October Term, 1989

ENCO MANUFACTURING COMPANY, INC.,
Petitioner,

vs.

CLAMP MANUFACTURING COMPANY, INC.,
Respondent.

PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES
COURT OF APPEALS
FOR THE NINTH CIRCUIT

Petitioner, Enco Manufacturing Company,
Inc.¹, requests that a Writ of Certiorari

¹The following companies are subsidiaries or affiliates of petitioner Enco Mfg. Co., Inc.: (1) United Tool, Inc., a Massachusetts corporation (subsidiary); (2) Charles Tool of California, a California corporation (affiliate); and (3) Enco Magnetic Tool Co., an Illinois

issue to review the judgment of the United States Court of Appeals for the Ninth Circuit, entered in this proceeding on March 14, 1989, affirming the judgment of the United States District Court for the Central District of California.

OPINIONS BELOW

The original action was tried in the United States District Court for the Central District of California. On August 10, 1987, the district court entered its Findings of Fact and Conclusions of Law. On November 24, 1987, the district court modified the Findings of Fact and Conclusions of Law and entered judgment for plaintiff, Clamp Manufacturing Co., Inc., enjoining the defendants, Enco Manufacturing Company, Inc. and Colex, Inc., from distributing a line of no twist cantilever-

corporation (affiliate).

ed "C" clamps similar to plaintiff's, and awarding plaintiff a sum equal to defendants' gross profits in the amount of \$578,689, plus \$378,077 prejudgment interest and the costs of the suit (App. 13, 25, 28). These opinions are reported at 5 U.S.P.2d 1643 (C.D. Cal. 1987)².

The United States Court of Appeals for the Ninth Circuit affirmed the judgment of the district court. The Opinion of the Court of Appeals is reported at 870 F.2d 512, 10 U.S.P.Q. 2d 1226 (9th Cir. 1989) (App. 1). On June 15, 1989, the Court of

²The following abbreviations are used:

- App.: Pages of the Appendix to this
Petition
F : Finding of Fact of the District
Court
CL : Conclusion of Law of the District
Court, as amended by the Court's
Order of November 24, 1987
Tr. : Trial Transcript
TX : Trial Exhibit

Appeals denied defendant-appellant Enco's petition for rehearing (App. 31).

JURISDICTION

This Petition for a Writ of Certiorari to review the judgment of the Court of Appeals filed on March 14, 1989, is being filed within ninety (90) days of the Order of the Court of Appeals of June 15, 1989, denying the petition for rehearing.

The jurisdiction of this Court is based upon 28 U.S.C. §§1254(1) and 2101(c).

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

Article I, Section 8, cl. 8, of the U.S. Constitution provides that:

The Congress shall have Power...To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.

The Lanham Act, 15 U.S.C., §§1111, 1114(1), and 1125(a) are set forth in the Appendix.

The Patent Act, 35 U.S.C., §§112, 154, and 287 are set forth in the Appendix.

Rule 52(a) of the Federal Rules of Civil Procedure, 28 U.S.C., is set forth in the Appendix.

STATEMENT OF THE CASE

This case involves claims of trademark infringement and unfair competition arising under the Lanham Act, California statutory law, and the common law. Jurisdiction in the district court was based on 28 U.S.C. §§1338(a), 1338(b) and 1331, and the principles of pendant jurisdiction. Plaintiff, Clamp Manufacturing Company, Inc. ("Clamp"), has alleged that defendants Enco Manufacturing Company, Inc. ("Enco") and

Colex, Inc.³ infringed its trademark in the overall configuration of certain non-twisting cantilevered "C" clamps, and that Enco's use of the words "no twist" in association with the sale and promotion of Enco's own non-twisting clamps infringed Clamp's federally registered trademark "KANT-TWIST". Enco maintains that it was free to copy Clamp's non-twisting clamps since they were the subject of an expired utility patent, and that its use of the words "no twist" to describe its clamps was not an infringement of Clamp's KANT-TWIST trademark. Enco also maintains that Clamp's claims were barred by laches since Clamp waited five years between the time it first informed Enco of its alleged rights and the time it filed suit.

³ Colex, Inc. was merged into Enco subsequent to trial.

Clamp manufactures, distributes and sells clamps. In the early 1950's, Clamp began manufacturing and selling non-twisting cantilevered "C" clamps in a variety of sizes under the trademark "KANT-TWIST". These clamps were the subject of a United States utility patent, which expired in 1972 (F 2,3; TX 301; App. 38).

Enco distributes and sells metalworking machines, machine tools, parts and accessories. Enco promotes these products mainly through catalogs (F 6,7). Approximately four years after Clamp's patent expired, Enco began importing a line of non-twisting cantilevered "C" clamps from a Korean company and reselling them in the United States (F 9). Enco's non-twisting clamps are virtually identical to the clamp disclosed in the expired patent. Enco's clamps bear the mark "ENCO" and a model number designation (App. 43). The words

"no twist" do not appear on Enco's clamps; they appear only in advertising, in such descriptive phrases as "ENCO NO TWIST CLAMPS". Enco's clamps were sold at lower prices than Clamp's products (F 21).

When Enco initially began selling its no twist clamps, Clamp did not object. Indeed, Clamp at one time sold KANT-TWIST clamps to Enco, knowing that Enco was already selling the same non-twisting clamps now accused of infringement (Tr. Vol. II, pp. 172, 174; Tr. Vol IV, p. 54).

In late 1977, Clamp demanded that Enco cease its alleged infringing clamp sales (F 23; TX 153). Enco responded by stating that, since Clamp's patent had expired and since the words "no twist" were used descriptively, Enco's clamp sales did not infringe any rights of Clamp (Tr. Vol. I, p. 107; Tr. Vol. II, p. 22; TX 154). Five years later, in 1982, Clamp filed this

case. During those five years, Clamp did not complain to Enco about Enco's continuing sales of non-twisting clamps. Instead, Clamp pursued a complaint with the Federal Trade Commission in an unsuccessful attempt to bar Enco's and other similar clamps from entering the United States (Tr. Vol. II, p. 178; Tr. Vol. III, p. 106). The FTC concluded that no action against Enco was warranted (Tr. Vol. IV, pp. 51-52).

Clamp neither advertised nor promoted the overall configuration of its clamps as a trademark. Its advertising instead touted the functional features of its clamp. The first time Clamp asserted its clamp configuration as a trademark was the instigation of this litigation.

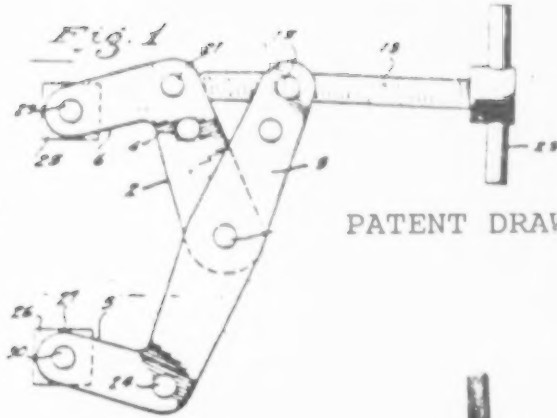
The district court found trademark infringement under section 43(a) of the Lanham Act and state law, concluding that the overall configuration of Clamp's KANT-

TWIST clamps was distinctive, primarily non-functional and arbitrary (F 20), and duplicated by Enco (F 19). The court also found that the description "no twist" was confusingly similar to Clamp's KANT-TWIST trademark (F 22). Clamp was awarded Enco's gross profits, plus pre-judgment interest and the costs of the suit (CL 28; App. 25). Enco's laches defense was the subject of an undecided motion in limine; but, the district court made no express findings or conclusions with respect to this defense, and did not even mention the defense in its opinion (App. 13).

The Ninth Circuit affirmed in all respects, even though it concluded that a different fact finder could have reached an opposite conclusion as to the district court's findings that Clamp possessed a valid product configuration trademark in the clamp design and that Enco violated the

Lanham Act by copying the clamp configuration. The Ninth Circuit concluded that the district court's failure to address the laches defense was equivalent to a rejection of this defense and was not an abuse of its discretion.

An exemplary drawing of the clamp of respondent's expired patent, and exemplary clamps marketed by petitioner and respondent are depicted below.



PATENT DRAWING



PETITIONER'S CLAMP



RESPONDENT'S CLAMP

REASONS FOR GRANTING THE WRIT

- I. FEDERAL AND STATE TRADEMARK LAWS SHOULD NOT BE USED TO PREVENT EXACT COPYING OF THE OVERALL CONFIGURATION OF A DEVICE DESCRIBED AND CLAIMED IN AN EXPIRED UTILITY PATENT WITHOUT FAIR WARNING TO THE PUBLIC OF THE PROTECTED NON-FUNCTIONAL PRODUCT FEATURES.

During the term of Clamp's patent, Enco obeyed the patent laws, and did not copy the invention. When the patent expired, Enco asserted its right under the patent laws to exploit the invention. Enco's clamp duplicated the product illustrated in the patent drawings, but not the product marketed by Clamp (App. 38, 43, 44). The Clamp product has a hooked shape on one of its jaws, which is absent from the Enco product and the patent. Enco copied only what was necessary to accomplish the function of the patented subject matter.

Nonetheless, the district court found this to be trademark infringement and per-

manently enjoined Enco from using the patented configuration or any other confusingly similar to it. The Ninth Circuit, while disagreeing with the district court's conclusion, felt constrained by Rule 52(a) not to overturn it, and affirmed the injunction. Thus, Enco has been effectively enjoined from ever selling a competing product; and Clamp, with the aid of the courts below, has successfully employed the Lanham Act and state unfair competition law to achieve the extension of its expired patent monopoly from 17 years to perpetuity.

The Patent Clause of the Constitution, Article I, §8, cl. 8, reflects a balance between the need to encourage innovation and the avoidance of monopolies, which stifle competition without any concomitant advance in the "Progress of Science and useful Arts." The clause contains both a

grant of power and certain limitations of that power. *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, ____ U.S. ____; 109 S. Ct. 971, 975 (1989).

In particular, Congress may not create monopolies of unlimited duration. Thus, Section 43(a) of the Lanham Act, 15 U.S.C. §1125(a), may not be interpreted to grant a perpetual monopoly under the guise of trademark protection since this would exceed the limits imposed on Congress by the Patent Clause. Also, there is no reason to believe that, in passing the Lanham Act, Congress intended to derogate from the patent statutes in any way.

Likewise, state trademark and unfair competition laws may not be interpreted to grant perpetual monopolies or extend the life of expired patents. *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 84 S. Ct. 784

(1964); *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 84 S. Ct. 779 (1964). "Where the public has paid the congressionally mandated price for disclosure, the States may not render the exchange fruitless by offering patent-like protection to the subject matter of the expired patent." *Bonito Boats*, 109 S. Ct. at 978.

Here, a simple clamp received the benefits of a patent. When the patent expired, Clamp sought to extend the patent monopoly by characterizing the overall product configuration as a trademark. This characterization was solely for purposes of this litigation; it was not so characterized in the marketplace. As the Ninth Circuit noted, Clamp failed to assert trademark rights in its configuration until this litigation was initiated (App. 10), the clamp is not designed in any arbitrary or

distinctive manner, consumers purchased the product only on the basis of function, and Clamp's advertising of its product touted only its utilitarian aspects (App. 8). See *Textron, Inc. v. U.S. International Trade Commission*, 753 F.2d 1019 (Fed. Cir. 1985) (overall configuration of a milling machine denied trademark protection).

There has been a recent trend to expand both the Lanham Act and state trademark and unfair competition laws to protect product configurations as trademarks. Undoubtedly, this trend results from the growing concern over counterfeiting. But legitimate copying should not be discouraged. Otherwise, competition will be stifled and the consuming public will be forced to pay higher prices for products. Indeed, in this case, having effectively eliminated Enco as a competitor, Clamp is now free to continue

to charge the higher prices it received during the term of the patent and before Enco entered the market.

This case is therefore one where the reaction against copying has exceeded legitimate bounds, and the public has accordingly suffered economic harm.

Creating patent-like rights in the overall configuration of a product, by characterizing the configuration as an unregistered trademark under §43(a) of the Lanham Act or state law, creates a serious impediment to competitors who wish to market these products, especially in those cases where there is no fair warning to the trade of the features of the product which constitute the trademark.

Where an unexpired patent exists, the competitor may look to the claims of the patent to assess its boundaries. 35 U.S.C. §112. Where a registered trademark covers

a product configuration, the certificate of registration will normally contain a formal description of the features or elements for which trademark protection is claimed. *In Re R.M. Smith, Inc.*, 734 F.2d 1482, 1483 (Fed. Cir. 1984). Moreover, the applicable statutes provide for marking the product with notice of patent (35 U.S.C. §287) or trademark (15 U.S.C. §1111); otherwise, damages will not be recoverable. Thus, a patent or a registered trademark gives a competitor, like Enco, notice of what it can and cannot lawfully copy, and prohibits an award of damages when the competitor relies on the absence of notice. *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 109 S. Ct. 971, 983 (1989).

This seldom-addressed problem of notice in the law of product simulation was mentioned in *Unital, Ltd. v. Sleepco Mfg., Ltd.*, 627 F.

Supp. 285, 291-92, 229 U.S.P.Q. 755, 758
(W.D. Wash, 1985):

The judicial requirements for establishing a right to exclusive use serve primarily to protect the freedom to compete effectively. These requirements [also] serve another . . . ancillary purpose [which] is to ensure that competitors have notice of the protected nature of a design. Where a design is registered as a trademark, copyrighted, or patented, constructive notice is thereby given to potential competitors. Where no claim is recorded, however, a producer would compete at his peril if every useful, attractive, or practical innovation could be legally protected as a common-law trademark.

In this case, there is nothing on which the public can rely to ascertain what is protected. The overall product configuration for which trademark rights is claimed is visually indistinguishable from the subject illustrated in the expired utility patent, and Clamp never referred to its product configuration as a trademark in advertising, or on the product or its packaging.

While the trial court found that the respondent's clamps were "distinctive, primarily nonfunctional, and arbitrary", the Ninth Circuit said that they were *not* arbitrary or distinctive (App. 8). Yet it refused to overturn this finding. The clamps themselves, and the patent relating to them, show that they are primarily functional and their design is not arbitrary, but intended to carry out a specific functional purpose which is described in the patent. In addition, the Ninth Circuit suggested that, if it were deciding the issue of functionality *de novo*, it would conclude that no trademark rights existed in Clamp's product configuration. Thus, three appellate judges saw the case differently from the trial judge.

In such an uncertain environment, rational businessmen will be faced with

enormous risks when they seek to exploit shapes and designs of expired patents. These risks will undoubtedly deter many of these businessmen from using subject matter that should be accessible as part of the public domain. Unwarranted, unsuspected, and unending patent-like monopolies will abound.

To allow the subject of an expired patent to achieve trademark status without fair warning to the public, as the lower courts did here, will thus discourage the imitation of the shapes and designs of expired patents. A competitor will never be able to know when it can safely copy, and competition, as well as the free flow of ideas, will be severely hindered. In addition, in a case like this one, the trademark owner can obtain broader trademark rights and enforcement with an unregistered product configuration mark

than it would have if it had sought a federal trademark registration.

It is essential, therefore, to require one who claims trademark rights in a product configuration either to secure a federal registration for what is claimed to be the trademark or to show by clear and convincing evidence that the public has been given fair warning of the protected status of the product or design at issue. This was not done here.

This Court should hear this case to decide this important issue of public policy.

II. THIS COURT SHOULD RESOLVE THE SPLIT AMONG THE CIRCUITS ON THE QUESTION OF WHETHER LIKELIHOOD OF CONFUSION IS REVIEWABLE ON APPEAL UNDER THE DE NOVO OR THE "CLEARLY ERRONEOUS" STANDARD.

The federal courts are in hopeless disagreement on whether likelihood of confusion is a question of fact or law for purposes of appeal. The First, Fourth, Fifth, Seventh, Tenth and Eleventh Circuits regard it as a pure question of fact, reviewable on appeal only under the "clearly erroneous" standard. The Federal, Second, Third, Sixth and Eighth Circuits take a different view. Some treat it as a pure issue of law, reviewable de novo. Others employ a two-tier test under which certain "foundational facts" are subject to the "clearly erroneous standard" and form the basis for the ultimate conclusion of law, which is reviewable de novo. In the Ninth Circuit, from which this case arises, the

standard of review has flip-flopped several times. See Altman, 3A *Callmann, Unfair Competition, Trademarks and Monopolies*, §20.64, pp. 561-62 (4th Ed. 1983) (1988 revision).

Mr. Justice White has twice written opinions dissenting from denials of certiorari on this issue, citing the existence of the above-mentioned conflict between the circuits on this question, and urging this Court to resolve it. See *Elby's Big Boy of Steubenville, Inc. v. Frish's Restaurants, Inc.*, 459 U.S. 916, 103 S. Ct. 231 (1982); *Euroquilt, Inc. v. Scandia Down Corp.*, 475 U.S. 1147, 106 S. Ct. 1801 (1986).

The question of likelihood of confusion is the single most pivotal issue in the entire area of trade identity law. It governs the question of whether or not there is infringement in every trademark,

trade name and trade dress infringement and product simulation case. The present uncertainty as to whether the issue is one of law or fact is therefore a matter of broad public concern.

The likelihood of confusion test is embedded in the words of the Lanham Act: "... likely to cause confusion, or to cause mistake, or to deceive...." 15 U.S.C. §1114. Such a statutory standard should not be left to the interpretation of the trier of fact. Moreover, the standard of appellate review of a federal statute should not differ from circuit to circuit. The only way to end the uncertainty is for this Court to rule.

The most serious consequence of this uncertainty falls upon those who are trying to exercise their right under the patent laws to copy the functional features of a successful competitive product which is

either unpatented or is the subject of an expired or invalid patent. *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 84 S. Ct. 784 (1964); *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 84 S. Ct. 779 (1964); *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, _____ U.S. _____, 109 S. Ct. 971 (1989).

In a product simulation case such as this one, the result of applying the "clearly erroneous" standard of appellate review is to create a perpetual product monopoly. Enco copied a product *exactly* as depicted in an expired utility patent. It made a judgment that the copied appearance was dictated by functional considerations, and that the public, recognizing the functionality of that product configuration, would neither attribute source-significance to it nor be confused by it.

One fallible human being, the district court in this case, disagreed with that judgment, and accordingly forbade the defendant to make that product in perpetuity. *Three* appellate judges suggested that, if the matter were up to them, they probably would not have so ruled. But because of the deference which they believed that they were required to give to the district court's determination of likelihood of confusion, they felt compelled to go against their own better judgment and affirm the perpetual monopoly granted by the trial court.

The importance of the likelihood-of-confusion issue, in relation to Enco's right to compete, is underscored by the district court's injunction in this case, which used likelihood of confusion with Clamp's product as the measure of what it

enjoined Enco from manufacturing. Thus, Enco was enjoined from "promoting, advertising, selling or offering for sale any cantilevered 'C' clamps using or embodying a design configuration which is identical or confusingly similar to the shape, size, appearance, or spectrum of sizes of [Clamp's] cantilevered 'C' clamps ..." (App. 29).

The principle that appellate courts should not duplicate the fact-finding efforts of trial courts, *Anderson v. City of Bessemer City, N.C.*, 470 U.S. 564, 574, 105 S. Ct. 1504, 1512 (1985), is a salutary one as applied to the *factual building-blocks* of the plaintiff's *prima facie* case and the defendant's affirmative defenses. But it is a serious encroachment on the parties' right to an appeal when the *ultimate issue* of likelihood of confusion is insulated from review.

Since, as this case demonstrates, a decision on that issue can create a perpetual quasi-patent, it is a matter of too much public importance to impair the integrity of the competitive process without any appellate checks and balances, save for cases in which the findings are clearly erroneous.

Even in a case involving a word trademark, such as Clamp's mark KANT-TWIST in this case, the use of the "clearly erroneous" standard of appellate review has unacceptable consequences from the standpoint of freedom of competition.

A principal advantage of the clamp in issue is that it does not twist. Thus, the trial court's injunction preventing Enco from using the words "no twist" stops Enco from employing the most effective method of telling customers what it is trying to

sell. This can have a chilling effect on Enco's ability to compete effectively.

Thus, as to both the word trademark and the product configuration aspects of this case, the standard of appellate review used by the Court of Appeals in this case cuts against the most deep-seated principles of free competition. It follows that likelihood of confusion, the ultimate issue in every type of trade identity confusion case, should be treated as an issue of law, and not as a fact-finding immune from scrutiny whenever the trial court in such a case makes an erroneous, but not *clearly* erroneous, determination.

III. RULE 52(a), FED. R. CIV. P., REQUIRES A COURT OF APPEALS TO REMAND A TRIAL COURT'S DECISION WHERE IT FAILS TO MAKE EXPRESS FINDINGS AND CONCLUSIONS ON AN AFFIRMATIVE DEFENSE, OR EVEN TO MENTION THE DEFENSE.

The affirmative defense of laches was critical to this case. Since laches is an equitable defense which bars at least an award of damages in trademark infringement suits, *McLean v. Fleming*, 96 U.S. 245 (1878), a decision in Enco's favor could make a \$1 million difference (including interest) in the monetary relief awarded.

The district court made no express findings or conclusions on Enco's laches defense (App. 13). Indeed, the district court did not even mention laches in its decision, although it was set forth in the Pre-Trial Conference Order and was the subject of an undecided motion in limine filed by Clamp. Moreover, the trial court never mentioned any exercise of discretion

or verbalized any reasons for exercising such discretion or otherwise disposing of the laches issue.

The Court of Appeals stated that "the findings and conclusions should have addressed more directly this potentially valid defense" (App. 12), but refused to remand for such findings and conclusions. Instead, the appellate court conducted its own evaluation of the laches evidence, weighed the relevant factors, and concluded that the district court's "implicit conclusion that laches should not apply was not an abuse of discretion" (App. 6).

By applying findings of fact which the district court never connected in any way to the laches defense, the Court of Appeals usurped the district court's function and violated Rule 52(a), which charges a district court with responsibility for finding facts:

In all actions tried upon the facts without a jury . . . , the court shall find the facts specially and state separately its conclusions of law thereon,

This Court has stated that "[t]he reviewing court oversteps the bounds of its duty under Rule 52(a) if it undertakes to duplicate the role of the lower court." *Anderson v. City of Bessemer City, North Carolina*, 470 U.S. at 573, 105 S. Ct. at 1511. *Anderson* also noted, in connection with the "clearly erroneous" standard of appellate review, that "appellate courts must constantly have in mind that their function is not to decide factual issues *de novo*." 470 U.S. at 573, 105 S. Ct. at 1511, quoting *Zenith Radio Corp. v. Hazeltine Research, Inc.*, 395 U.S. 100, 123, 89 S. Ct. 1562, 1576 (1969).

Furthermore, in *Icicle Seafoods, Inc. v. Worthington*, 475 U.S. 709, 106 S. Ct. 1527

(1986), this Court criticized an appellate court's independent review of the record and fact-finding, stating that:

If the Court of Appeals believed that the District Court had failed to make findings of fact essential to a proper resolution of the legal question, it should have remanded to the District Court to make those findings....But it should not simply have made factual findings on its own.

106 S. Ct. at 1530. See also, *Kelley v. Everglades Drainage District*, 319 U.S. 415, 421-22, 63 S. Ct. 1141 (1943), where this Court stated that "it is not the function of this Court to search the record and analyze the evidence in order to supply findings which the trial court failed to make."

Contrary to the above-cited admonitions of this Court, the Court of Appeals shored up the district court's failure to mention the laches defense with fact-findings which the district court did not apply to the laches issue. Rule 52(a) does not permit

this. It requires not simply fungible fact-findings which can be plugged into one issue or another indiscriminately, but fact-findings which the district court specifically directed to the issue at hand.

In addition to applying the district court's fact-findings ad hoc to the laches issue, the Court of Appeals conducted a *de novo* weighing of the facts, concluding that "the district court's findings . . . weigh against a determination of laches." (App. 6). As *Anderson* teaches, the weighing of evidence is a function of the trial court, not the appellate court.

Even if the trial court had made findings of fact on the issue of laches and had assigned to them whatever weight it considered appropriate, its judgment on this issue would have been fatally defective. In addition to requiring fact findings,

Rule 52(a) also provides that "the court shall ... state separately its conclusions of law...." Yet here the district court's opinion failed entirely to enunciate any conclusions of law regarding laches. In the absence of such conclusions, the appellate court could not possibly have had any basis for an intelligent review of the correctness of the result.

For example, the Court of Appeals treated the laches defense as if the district court found the defense to be unsupported by the facts. But it is possible that the district court actually rejected the defense on a legal theory, advanced by Clamp, that equitable defenses are inapplicable to incontestible trademarks as a matter of law. If this was the basis of the district court's rejection of the defense, it was reviewable *de novo* and would

have been reversed at least as to the unregistered product configuration trademark, which was not incontestible.

The Court of Appeals further compounded the error in this case by applying the "abuse of discretion" standard of review to the laches decision which the trial court never made. But that standard of review only makes sense if the discretion in question has actually been exercised. Here, it was not. Not only did the district court fail to make express findings of fact and conclusions of law on the laches defense, it failed even to mention the issue in its opinion.

By treating the district court's omission as though it were an affirmative exercise of discretion, and then giving it the highest degree of deference permitted by our appellate procedure, the Ninth Circuit abrogated its responsibility as an appel-

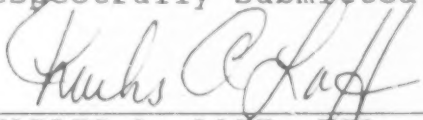
late court. It engaged in a charade of appellate review by applying the "abuse of discretion" standard to its own conclusion, instead of remanding for proper findings of fact and conclusions of law and for the exercise of actual discretion on the issue of laches.

This Court should make clear that Rule 52(a) does not permit the practice of the appellate court here.

CONCLUSION

For the foregoing reasons, the writ of certiorari should issue.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Charles A. Laff", is written over a horizontal line.

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ENCO MANUFACTURING CO., INC.

APPENDIX



App. 1

APPENDIX A

CLAMP MANUFACTURING COMPANY, INC.,
Plaintiff-Appellee,

v.

ENCO MANUFACTURING COMPANY, INC.,
COLEX, INC.,
Defendants-Appellants.

No. 88-5559

UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

February 8, 1989, Argued and Submitted
March 14, 1989, Filed

APPEAL-STATEMENT:

Appeal from the United States District Court for the Central District of California, Consuelo B. Marshall, District Judge, Presiding, D.C. No. CV-82-4352-CBM

COUNSEL:

Seymour Rothstein, Charles C. Kinne, Alligretti and Witcoff, Ltd., Chicago, Illinois, for Enco Manufacturing Co. and Colex, Inc., the defendants-appellants.

Allan Gabriel, Ronald M. St. Marie, Ervin, Cohen & Jessup, Beverly Hills, California, for Clamp Manufacturing Co., the plaintiff-appellee.

OPINION BY: FARRIS

OPINION:

Before: Jerome Farris, Warren J. Ferguson and Robert R. Beezer, Circuit Judges.

FARRIS, Circuit Judge:

Enco Manufacturing Co. appeals from the district court's judgment against it in favor of Clamp Manufacturing Co. Clamp sued Enco for trademark infringement of its clamps. Following a bench trial, the district court granted injunctive relief and damages to Clamp. We affirm.

BACKGROUND

Clamp, a California corporation principally located in Los Angeles, manufactures and distributes clamps. Clamp and its predecessor, Saxton Manufacturing Co., have manufactured and distributed cantilevered "C" clamps in various sizes and styles since the early 1950's. A patent for the clamp, more precisely described as a "single screw actuated pivoted clamp," was issued in 1955 and expired in 1972.¹ In January 1974, Clamp obtained a trademark registration, valid for twenty years, for the term "KANT-TWIST." No. 977,118, Principal Register, U.S. Patent Office (noting 1954 as date of first use of clamp).

Enco, an Illinois corporation principally located in Chicago, manufactures and distributes machine tools, parts, and accessories. Colex, Inc., the additional defendant-appellant, was a California corporation principally located in

¹ The district court found that the patent expired in December 1975. Enco asserted that the patent expired in 1972. That statement is supported by testimony from the head of Clamp, Philip Saurenman. Patents have a term of 17 years beginning the day after the patent is issued. 35 U.S.C. §154; *Ballard & Ballard Co. v. Borden Co.*, 107 F. Supp. 41, 48 (W.D. Ky. 1952). The patent, no. 2,726,694 was issued to John Saxton on December 13, 1955, and therefore expired on December 13, 1972.

Los Angeles and the wholly-owned West Coast subsidiary of Enco. Colex was merged into Enco following trial.

In 1976 or early 1977, Enco began purchasing and distributing a line of cantilevered "C" clamps manufactured in Korea. The clamps were virtually identical to the Kant-twist claims manufactured by Clamp and were designated as "Enco No-TWIST clamps" in the Enco sales catalog.

In November 1977, Clamp wrote Enco demanding that Enco cease selling its No-twist clamps, because Enco's clamps were confusingly similar to Clamp's Kant-twist clamps. Enco refused, stating that the Clamp patent had expired and the "no-twist" term was used descriptively. In December 1977, Clamp again asked Enco to cease marketing its No-twist clamps; Enco did not respond.

Following the exchange of correspondence, Clamp took several actions in response to Enco's efforts. In May 1978, Clamp filed a complaint with the Federal Trade Commission, alleging the palming off of confusingly similar copies of its clamps by several wholesale distributors, including Enco. Clamp attempted to persuade its customers, through advertising and direct contacts, that its products were superior to those of Enco, and made changes to the appearance of some parts of its clamps. Clamp also sought incontestable status for its Kant-twist mark, including filing a required affidavit with the U.S. Patent Office stating that no litigation concerning its mark was pending. See 15 U.S.C. §1065(2). Subject to certain exceptions, incontestable status provides the mark with a conclusive presumption of validity and prevents a defense to infringement on the grounds that the mark is merely descriptive. See *Park 'N Fly v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 193-97, 205 (1985); 2 McCarthy, Trademarks and Unfair Competition §32.44 (1984 and 1988 supp.).

In August 1982, after the FTC decided to take no action on Clamp's complaint, Clamp filed suit against Enco, Colex, and seven other machine tool supply companies, alleging infringement of its registered Kant-twist trademark, in violation of 15 U.S.C. §1114(1) (§32(1) of the Lan-

ham Act); infringement of its configuration trademark, false designation of origin, false description, and false representation, in violation of 15 U.S.C. §1125(a) (§43(a) of the Lanham Act); and unfair competition and infringement of trademark rights under California law. The claims against the seven other defendants were withdrawn prior to the trial in October 1986. On August 10, 1987, Findings of Fact and Conclusions of Law were entered in favor of Clamp. *Clamp Mfg. Co. v. Enco Mfg. Co.*, 5 U.S.P.Q. 2d 1643 (C.D. Cal. 1987). On November 24, 1987, the trial court awarded Clamp \$ 578,689 plus prejudgment interest of \$ 378,077 and issued a permanent injunction prohibiting Enco from using the No-twist name and from promoting or selling confusingly similar cantilevered "C" clamps. *Id.* at 1649.

STANDARD OF REVIEW

The district court's decision denying laches is reviewed for abuse of discretion. *Russell v. Price*, 612 F.2d 1123, 1125 (9th Cir. 1979), *cert. denied*, 446 U.S. 952 (1980). Issues concerning the correct test to be used in evaluating trademark infringement are reviewed de novo. *Lindy Pen Co. v. Bic Pen Corp.*, 796 F.2d 254, 255 (9th Cir. 1986). Mixed questions of fact and law that are largely fact-driven are reviewed under the clearly erroneous standard. *United States v. McConney*, 728 F.2d 1195, 1203-04 (9th Cir.) (en banc), *cert. denied* 469 U.S. 824 (1984). The district court's findings of fact are reviewed under the clearly erroneous standard. Fed. R. Civ. P. 52(a). The clearly erroneous standard also applies to the district court's findings on the elements of infringement: nonfunctionality, secondary meaning, and likelihood of confusion. See *Fuddruckers, Inc. v. Doc's B.R. Others, Inc.*, 826 F.2d 837, 843 (9th Cir. 1987) (functionality); *Levi Strauss & Co. v. Blue Bell, Inc.*, 778 F.2d 1352, 1355-56, 1358 (9th Cir. 1985) (en banc) (likelihood of confusion, secondary meaning). The clearly erroneous standard means that the reviewing court will not disturb the district court's decision unless after reviewing all of the evidence the reviewing court "is left with the definite and firm conviction that a mistake has

been committed." *United States v. Gypsum Co.*, 333 U.S. 364, 395 (1948).

DISCUSSION

A. Laches

Enco argues that laches bars Clamp's recovery of monetary damages; Enco does not argue that laches also bars the injunctive relief granted by the district court. We recognize estoppel by laches as a valid defense to an infringement action on behalf of an incontestable trademark. *Pryodyne Corp. v. Pyrotronics Corp.*, 847 F.2d 1398, 1402 (9th Cir.), *cert. denied*, 109 S.Ct. 497 (1988); *E-Systems, Inc. v. Monitek, Inc.*, 720 F.2d 604, 607 (9th Cir. 1983) (laches may bar injunctive relief). A successful assertion of the defense requires Enco to show an unreasonable delay by Clamp in filing suit, with resulting prejudice to Enco. See *Whittaker Corp. v. Execuair Corp.*, 736 F.2d 1341, 1347 (9th Cir. 1984); *E-Systems*, 720 F.2d at 607; 2 McCarthy at §31.2. More specifically, a variety of factors are weighed: the strength and value of Clamp's trademark rights; Clamp's diligence in enforcing its mark; the harm to Clamp if relief is denied; whether Enco acted in good faith ignorance of Clamp's rights; competition between Clamp and Enco; and the harm suffered by Enco because of Clamp's delay. See *E-Systems*, 720 F.2d at 607.

The district court made no express findings or conclusions on Enco's laches defense. This court may assume that the district court's failure to discuss the laches defense is equivalent to a refusal, because there is no doubt that (1) the district court rejected the defense, and (2) a full understanding of the issue may be obtained from the district court's findings, which did address the relevant factors. See *Vance v. American Hawaii Cruise, Inc.*, 789 F.2d 790, 792 (9th Cir. 1986). The district court found that (1) Clamp's trademark rights were strong, (2) Clamp acted promptly in writing to Enco, filing its FTC complaint, and filing suit after the FTC completed its investigation, (3)

Clamp was damaged substantially by Enco's actions, (4) Enco was aware of Clamp's rights, and (5) Clamp and Enco were in direct competition. *Clamp Mfg.*, 5 U.S.P.Q.2d at 1645-46 (Findings of Fact 16-22, 25). The district court made no express finding concerning the harm suffered by Enco as a result of Clamp's delay. In finding that Enco was aware of Clamp's continuing objections and that No-twist clamp sales were less than .7% of its total sales, the district court implicitly determined that Enco suffered no harm. See *id.* (FOF 14, 23).

Enco argues that injury to it should be presumed if the waiting period exceeds that of the analogous statute of limitations period. Other circuits have applied such a presumption to reject a defense of laches when the delay period is less than the analogous statute of limitations. See *Ambrit, Inc. v. Kraft, Inc.*, 812 F.2d 1531, 1546 (11th Cir. 1986), *cert. denied*, 481 U.S. 1041 (1987); *Tandy Corp. v. Malone & Hyde, Inc.*, 769 F.2d 362, 365-66 (6th Cir. 1985), *cert. denied*, 476 U.S. 1158 (1986).—This circuit has applied such a presumption only in patent cases, where the analogous statute of limitations, 35 U.S.C. §286, runs for six years and explicitly limits the recovery period of damages for patent infringement. See, e.g., *Whitman v. Walt Disney Productions, Inc.*, 263 F.2d 229, 231-32 (9th Cir. 1958). Even if we assume the district court was clearly erroneous in not presuming that Enco suffered harm as a result of Clamp's delay, the district court's findings on the other factors weigh against a determination of laches.² The district court's implicit conclusion that laches should not apply was not an abuse of discretion.

B. Validity of the Clamp Configuration Trademark

The physical details and design of a product may be protected under the trademark laws only if they are nonfunc-

² Because application of the presumption of injury would not matter to the result here, we do not decide whether injury should be presumed if the delay in filing a trademark infringement suit exceeds the period of the analogous statute of limitations.

tional and have acquired a secondary meaning. *Vuitton Et Fils S.A. v. J. Young Enterprises*, 644 F.2d 769, 772 (9th Cir. 1981). The burden of proving nonfunctionality is on Clamp. See *Rachel v. Banana Republic, Inc.*, 831 F.2d 1503, 1506 (9th Cir. 1987). Evidence of deliberate copying, present in this case, supports a determination of secondary meaning but does not in itself shift the burden of proving secondary meaning from Clamp to Enco. See *Fuddruckers*, 826 F.2d at 844.

1. Functionality

The requirement of nonfunctionality is based "on the theory that there exists a fundamental right to compete through imitation of a competitor's product, which right can only be temporarily denied by the patent or copyright laws." *In re Morton-Norwich Products, Inc.*, 671 F.2d 1332, 1336 (C.C.P.A. 1982) (emphasis in original). If the utilitarian aspects of the product are its essence, only patent law protects its configuration from use by competitors. See *Morton-Norwich*, 671 F.2d at 1338-40; cf. *Vuitton*, 644 F.2d at 776-77. See generally Annotation, Application of Functionality Doctrine Under §43(a) of Lanham Act, 78 A.L.R. Fed. 712, 736-49 (1986). "Functional features of a product are features 'which constitute the actual benefit that the consumer wishes to purchase, as distinguished from an assurance that a particular entity made, sponsored, or endorsed a product.' " *Vuitton*, 644 F.2d at 774 (quoting *Int'l Order of Jobs Daughters v. Lindeburg & Co.*, 633 F.2d 912, 917 (9th Cir. 1980), cert. denied, 452 U.S. 941 (1981)). For an overall product configuration to be recognized as a trademark, the entire design must be nonfunctional. *Textron, Inc. v. U.S. Int'l Trade Comm'n*, 753 F.2d 1019, 1025 (Fed. Cir. 1985). "[T]he right to copy better working designs would, in due course, be stripped of all meaning if overall functional designs were accorded trademark protection because they included a few arbitrary and nonfunctional features." *Id.* To assist in analyzing functionality, several factors may be examined: the existence of an expired utility patent disclosing the utili-

tarian advantage of the design sought to be protected as a trademark; the extent of advertising touting the utilitarian advantages of the design; the availability of alternative designs; and whether a particular design results from a comparatively simple or cheap method of manufacture. *Morton-Norwich*, 671 F.2d at 1340-41.

The district court found that Kant-twist clamps were distinctive, primarily nonfunctional, and arbitrary, and that commercially feasible alternative configurations exist. Clamp presented evidence of alternative designs and of the arbitrary nature of the clamp arm's shape, including the fact that Clamp made minor design variations in response to the competition from Enco. It also introduced expert testimony concerning a hypothetical design, and evidence of the existence of a non-identical German-made clamp. We therefore cannot find that the district court findings are clearly erroneous, even though another fact-finder could have reached the opposite conclusion.

We recognize that considerable support exists for a determination of nonfunctionality. Two of the factors cited in *Morton-Norwich* weigh strongly in Enco's favor. An expired utility patent exists and Clamp's advertising has heavily, if not exclusively, touted the utilitarian aspects of its product. The clamp is not designed in any arbitrary or distinctive manner, with the exception of minor variations in the shape of the clamp arms. Evidence shows that consumers purchased the product on the basis of its function. No evidence was presented that purchasers were aware of Clamp's design variations. Nor does the copying by Enco lessen the necessity for Clamp to prove its configuration nonfunctional. See *Vibrant Sales, Inc. v. New Body Boutique, Inc.*, 652 F.2d 299, 304 (2d Cir. 1981), cert. denied, 455 U.S. 909 (1982) (copying a waist reduction belt); *Fisher Stoves, Inc. v. All Nighter Stove Works, Inc.*, 626 F.2d 193, 195 (1st Cir. 1980) (copying of wood stove except for nameplate). But see *Service Ideas, Inc. v. Traex Corp.*, 846 F.2d 1118, 1123-24 (7th Cir. 1988) (copying of all functional elements of beverage server, including color); *Vaughn Mfg. Co. v. Brikan Int'l, Inc.*, 814

F.2d 346, 350 (7th Cir. 1987) (copying of picnic table design, including colors and shapes of components). Nonetheless, Clamp presented sufficient evidence to sustain the district court's findings under the clearly erroneous standard. Although the issue is close we are not left with a definite and firm conviction that a mistake has been committed.

2. Secondary Meaning

A product configuration has secondary meaning if the purchasing public associates that configuration with a particular source. See *Fuddruckers*, 826 F.2d at 843. The factors to be assessed in determining secondary meaning include: whether actual purchasers of cantilevered clamps associate the configuration with Clamp; the degree and manner of Clamp's advertising; the length and manner of Clamp's use of the configuration; and whether Clamp's use of the configuration has been exclusive. See *Transgo v. AJAC Transmission Parts Corp.*, 768 F.2d 1001, 1015 (9th Cir. 1985), *cert. denied* 474 U.S. 1059 (1986). The district court determined that Clamp satisfied these factors.

Evidence of use and advertising over a substantial period of time is enough to establish secondary meaning. See *First Brands v. Fred Meyer, Inc.*, 809 F.2d 1378, 1383 (9th Cir. 1987). See generally Annotation, Application of Secondary Meaning Test in Action for Trade Dress Infringement Under §43(a) of Lanham Act, 87 A.L.R. Fed. 15, §§25, 32; Annotation, Application of Secondary Meaning Test in Action for Trademark or Trademark Name Infringement Under §43(a) of Lanham Act, 86 A.L.R. Fed. 489, §§25, 31. But see Annotation, 87 A.L.R. Fed. at 75-76; Annotation, 86 A.L.R. Fed. at 554-55 (collecting cases holding secondary meaning not established where advertising was extensive but evidence as a whole did not show consumer association). The district court found that Clamp prominently featured the design configuration in its advertising and promotional efforts. This finding is supported by the record. Therefore the district court deter-

mination that secondary meaning was established is not clearly erroneous.

We recognize Enco's arguments for overturning the determination of secondary meaning. No evidence concerning the views of actual purchasers was presented. Cf. *Levi Strauss*, 778 F.2d at 1358 ("An expert survey of purchasers can provide the most persuasive evidence of secondary meaning."). Clamp failed to assert trademark rights in its configuration until this litigation was initiated. See *Textron*, 753 F.2d at 1027-28 (evidence of close copying entitled to little weight because trademark in design not asserted prior to litigation; circumstantial evidence of use of design in promotional materials unpersuasive; secondary meaning not shown). However, these arguments do not overcome the findings of the district court on use and advertising.

C. Infringement

1. Likelihood of Confusion

If Clamp is successful in establishing that its product configuration is entitled to trademark protection under 15 U.S.C. §1125(a) by proving nonfunctionality and secondary meaning, it must then prove that Enco's use of a similar configuration is likely to confuse consumers. See *Fuddruckers*, 826 F.2d at 837; 2 *McCarthy*, *supra* at 42-48. Determining whether confusion between related products is likely involves analysis of the following factors: strength of Clamp's mark; similarity of the marks; evidence of actual confusion; marketing channels used; type of goods and degree of care likely to be exercised by purchaser; and Enco's intent in selecting the marks. See *Levi Strauss*, 778 F.2d at 1359, n. 8; *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348-49 (9th Cir. 1979). The district court determined that confusion was likely. Its determination is supported by substantial evidence satisfying the factors cited: the similarity of the products, the manner of sale through catalog and telephone orders, and Enco's intentional copying of the Clamp design and promotional materials. Al-

though Enco may be correct in disputing whether the "entrapment" efforts of Clamp constitute evidence of actual confusion, the district court's determination that confusion is likely is not clearly erroneous.

We apply a similar analysis to Clamp's claim under 15 U.S.C. §1114(a) that its registered mark was infringed by Enco's use of the term "no-twist." See *Beer Nuts, Inc. v. Clover Club Foods Co.*, 805 F.2d 920, 925 (10th Cir. 1986) ("beer nuts" infringed by "brew nuts"). Confusing similarity may exist if the two terms convey the same idea or meaning. *Id.*; 2 McCarthy, *supra*, at §23.8. Enco argues that the Kant-twist mark is not protected because it is merely descriptive and that the "entrapment" efforts of Clamp do not prove that consumers were confused. Because the Kant-twist mark is incontestable Enco may not defend against an infringement action on the basis that the mark is merely descriptive. *Park 'N Fly*, 469 U.S. at 205. As with the product configuration claim, even if the "entrapment" evidence is rejected as evidence of actual confusion, the weight of the other factors is in Clamp's favor. The district court's determination is not clearly erroneous.

2. Fair Use

Enco's fair use defense must satisfy one of the elements of 15 U.S.C. §1115(b) (§33 of the Lanham Act). Enco relies on §1115(b)(4), which allows the use of a term "which is descriptive of and used fairly and in good faith only to describe to users of the goods." The district court's finding that Enco used the term "no-twist" as a trademark is supported by substantial evidence. The district court was not clearly erroneous in rejecting the fair use defense.

3. Additional Claims

Clamp also asserted a claim under the false representation/unfair competition prong of 15 U.S.C. §1125(a). See 2 McCarthy, *supra*, at 344, 364-368 (two prongs of §43(a) of Lanham Act). The district court concluded that Enco

violated the false representation/unfair competition prong. Clamp has proved that confusion is likely. The fact that Enco labelled its clamps with its name does not outweigh Enco's conduct in copying the exact sizes of the Clamp product line and Clamp's promotional materials, given the broad protection provided by this portion of the statute. See *Smith v. Montoro*, 648 F.2d 602, 605-06 (9th Cir. 1981); *Tveter v. AB Turn-O-Matic*, 633 F.2d 831, 838-39 (9th Cir. 1980), *cert. denied*, 451 U.S. 911 (1981). The district court's determination of false representation is not clearly erroneous.

CONCLUSION

We uphold the district court's implied rejection of the laches defense as properly within its discretion, although the findings and conclusions should have addressed more directly this potentially valid defense. The district court's determinations that Clamp possesses a valid product configuration trademark and that Enco engaged in false representation are not clearly erroneous.

AFFIRMED.

APPENDIX B

CLAMP MFG. CO., INC.,
a California corporation,
Plaintiff,

v.

ENCO MFG. CO., INC., ET AL.,
Defendants.

No. CV 82-4352 (CBM)

UNITED STATES DISTRICT COURT
FOR THE
CENTRAL DISTRICT OF CALIFORNIA

1987 U.S. Dist. LEXIS 13427;
5 U.S.P.Q.2D (BNA) 1643

August 4, 1987, Decided;
August 10, 1987, Filed

OPINION BY: MARSHALL

OPINION:

FINDINGS OF FACT AND CONCLUSIONS
OF LAW

CONSUELO B. MARSHALL, JUDGE,
UNITED STATES DISTRICT COURT

This case came on regularly for trial before the Court, sitting without a jury. Allan Gabriel and Ronald M. St. Marie appeared as counsel for the plaintiff, and James M. Amend and Sheri J. Engelken appeared as counsel for the defendants. The Court, having heard the testimony and having examined the proofs offered by the respective parties and the cause having been submitted for decision and the Court being fully advised in the premises, makes its Findings of Fact and Conclusions of Law as follows.

FINDINGS OF FACT

1. Plaintiff Clamp Mfg. Co., Inc. is a California corporation having its principal place of business in Los Angeles, California. Plaintiff's predecessor in interest was Saxton Mfg. Co.

2. Plaintiff and its predecessor continuously, since 1955, have been and now are engaged in the business of manufacturing, selling, marketing, advertising and distributing clamps throughout the United States.

3. Continuously since 1952, Clamp and its predecessors-in-interest have manufactured and distributed cantilevered "C" clamps, a type of industrial hardware tool which is sold throughout the United States. Since the inception of the sale of these cantilevered "C" clamps, they have been designated, advertised, promoted and sold under the trademark "KANT-TWIST" The KANT-TWIST clamps were previously the subject of a United States letters patent, which expired on or about December 13, 1975.

4. Throughout its historical advertising and promotional materials, plaintiff had prominently featured the arbitrary and non-functional design configuration of its KANT-TWIST cantilevered "C" clamps, both in detailed photographs of artist's renderings and in stylized logos. Through such extensive advertising and word of mouth, this design configuration has thereby come to be associated in the public's mind with the products of plaintiff Clamp, including its KANT-TWIST line of cantilevered "C" clamps.

5. Plaintiff owns U.S. Trademark Registration No. 977,118, issued on January 2, 1974 for the designation of KANT-TWIST for clamps. Said registration acquired incontestable status on January 21, 1980, based on the filing of an affidavit with the United States Patent and Trademark Office.

6. Defendant Enco Manufacturing Co., Inc. ("Enco") is a manufacturer and distributor of machine tools, parts and accessories with offices located in Chicago, Illinois.

7. Enco promotes, distributes and sells its goods through seasonal catalogs, both directly to the purchasing public or through independent distributors through participatory sales programs which utilize such catalogs. Defendant Colex, Inc. is a California corporation located in Los Angeles, California and is the West Coast subsidiary of Enco Mfg. Co., Inc. Enco Mfg. Co., Inc. and Colex, Inc. will hereinafter collectively be referred to as the "Enco defendants."

8. Colex sells products distributed by Enco, including clamps, primarily to users of such products. Enco and Colex have common ownership.

9. In the latter part of 1976, Enco entered into negotiations with a representative of the Korean trading company Prime Line International regarding purchase and the importation of a line of cantilevered "C" clamps with the identical appearance, shape and spectrum of the line of plaintiff Clamp's KANT-TWIST cantilevered "C" clamps. Commencing in early 1977, Enco began importing these clamps under an exclusive United States distribution agreement, selling them throughout the United States under the trademark "No-TWIST."

10. Continuously since 1976, Enco has purchased, through Prime Line International, a line of clamps similar in nature, function, and use of plaintiff's KANT-TWIST clamps.

11. The Enco defendants have sold or otherwise distributed such clamps throughout the United States. These clamps are designated as "Enco No-TWIST clamps" in Enco's catalogs.

12. The Enco defendants have sold each NO-TWIST clamp that Enco has purchased, except for current inventory. Enco's purchases are accurately reflected and evidenced by Enco's purchase orders.

13. In late November 1977, plaintiff demanded of Enco that it cease importing such clamps and selling them under the NO-TWIST designation. Enco promptly rejected the demand in a letter to plaintiff dated December 5, 1977. A letter from plaintiff to Enco dated December 19, 1977, subsequently followed.

14. Enco defendants' sales of NO-TWIST clamps represent less than .7% of their total sales.

15. Plaintiff's sales of the KANT-TWIST clamps represent the majority of plaintiff's business and sales.

16. Since the inception of its distribution and sales of the NO-TWIST line of clamps, Enco has used advertising and other promotional materials which are virtually identical to advertising copy utilized by Clamp for the sale of its KANT-TWIST cantilevered "C" clamps. Specifically, the Enco defendants adopted Clamp's distinctive size chart, design configuration of cantilevered "C" clamps, and diagrams of the design configuration of Clamp's cantilevered "C" clamps. Furthermore, in some catalogs of Enco defendants' distributors, an actual photograph of plaintiff Clamp's KANT-TWIST clamp was used to advertise an Enco NO-TWIST clamp. A purchaser who was using only a catalog for purposes of ordering the clamps that were sold by Enco could not determine whether the NO-TWIST clamp was manufactured by a Korean company or whether it was manufactured by plaintiff Clamp Manufacturing Company. Moreover, the Enco defendants adopted the NO-TWIST trademark and used such name as a trademark throughout its advertising and on its invoices sent to customers.

17. Both the Clamp's KANT-TWIST clamps and the Enco defendants' NO-TWIST clamps are sold to the public through wholesalers' black and white catalogs, which contain a depiction of plaintiff Clamp's design configuration. The Enco defendants publish not only their own catalogs,

but also offer this service to their wholesalers by publishing catalogs with wholesalers' names and addresses and mailing them to customers of those distributors throughout the United States.

18. The great bulk of the orders from such purchasers for both plaintiff's and defendants' clamps are taken by telephone or made through the mail by purchasers reviewing such catalogs. Accordingly, the purchasing public generally is not afforded an opportunity to actually view or handle the No-TWIST clamp purchased prior to sale and shipment to the customer.

19. The Enco defendants appropriated the identical size line for cantilevered "C" clamps developed by Clamp. Thus, the arbitrary sizes and shapes of the clamps as developed by Clamp were duplicated by the Enco defendants, including a 1-inch clamp, a 3-inch clamp, a 4-1/2 inch clamp, a 6-inch clamp, a 6-inch deep bite clamp, a 9-inch clamp, a 10-inch clamp, and a 12-inch clamp. This copying of plaintiff's line of clamps has permitted the Enco defendants to confuse the public as to the source of their No-TWIST clamps, to trade off the goodwill of plaintiff, and to palm-off their clamps as those of plaintiff Clamp.

20. The design configuration (exterior shapes) of Clamp's KANT-TWIST line of cantilevered "C" clamps is distinctive, primarily non-functional and arbitrary. There exists commercially feasible alternative configurations for cantilevered "C" clamps which others, including Enco, could utilize to successfully compete with the KANT-TWIST line of clamps on the basis of utility without causing confusion in the marketplace or facilitating palming-off.

21. The introduction and subsequent sale of the Enco defendants' clamps in the marketplace has resulted in actual confusion. Thus, when the Enco defendants' clamps were initially introduced into the marketplace, Clamp received inquiries from distributors as to why Enco was able to purchase KANT-TWIST clamps and sell them at a price much cheaper than those afforded plaintiff's wholesalers. Certain distributors stated that Enco was now selling

KANT-TWIST clamps. Enco's No-TWIST clamps mistakenly have been returned to one of plaintiff Clamp's distributors because they proved to be defective. In addition, purchase orders sent to the Enco defendants reveal that orders for KANT-TWIST clamps from Enco defendants have been filled with No-TWIST clamps. Such palming-off was confirmed when plaintiff Clamp and others on behalf of Clamp ordered KANT-TWIST clamps from the Enco defendants and received No-TWIST clamps in their place by name and KANT-TWIST number.

22. Enco adopted its No-TWIST trademark and the design configuration for its No-TWIST clamps with full and complete knowledge of Clamp's KANT-TWIST clamp sales throughout the United States. The No-TWIST clamps were directly copied from plaintiff's KANT-TWIST clamps and intentionally promoted for sale by use of (a) design configurations identical in shape, size and appearance to Clamp's KANT-TWIST clamps, but inferior in strength and quality, (b) an identical spectrum of unusual sizes, (c) confusingly similar trademark, and (d) confusingly similar, if not identical, advertising in content and format.

23. In late 1977 and early 1978, Clamp first learned of Enco's unlawful conduct and demanded by letter that Enco cease its activities. Enco responded by stating it refused to do so. Clamp then again requested in writing that Enco cease its activities. When Enco failed to respond, Clamp initiated a proceeding before the Federal Trade Commission by filing a formal complaint in May 1978. The Federal Trade Commission conducted its investigation, with the continued assistance and encouragement by plaintiff Clamp, from approximately May 1978 through March 1982. At that time, the Federal Trade Commission's office in Los Angeles indicated that it would not take any formal action against the Enco defendants. Moreover, during this time, Enco was aware of Clamp's continuing objection to Enco's unlawful conduct and continued to sell the No-TWIST clamps at its own risk. Plaintiff Clamp's KANT-TWIST trademark was also of record with the United States Patent and Trademark Office, and

the Enco defendants failed to take any action in connection therewith.

24. Immediately after being so informed by the Federal Trade Commission, Clamp promptly retained counsel, and said counsel instituted the instant action in August 1982.

25. Because the false designation of origin, false descriptions and false representations—including misrepresentations of quality—being made in the marketplace by the Enco defendants and its distributors, Clamp has been compelled to undertake an extensive public relations and advertising campaign in efforts to educate the purchasing public as to the abuses and improper activities of the Enco defendants. Plaintiff Clamp did so in an attempt to minimize the harm to Clamp's business reputation and profits.

26. Clamp has been damaged by the reduction in its revenue and profits resulting from loss of sales and by unjust enrichment of the Enco defendants by virtue of profits accruing to the Enco defendants which would have accrued to Clamp but for Enco's activities.

27. There is no direct or material evidence of any costs or other deduction attributable to returns and allowances of NO-TWIST. In fact, defendants have admitted that there were few, if any, returns of Enco's NO-TWIST clamps.

29. The Enco defendants have continued their infringement and unfair competition after this action has been filed.

30. From the date of the commencement of the Enco defendants' infringing and unfair conduct, the Enco defendants have sold in excess of \$1,109,977.00 of infringing NO-TWIST cantilevered "C" clamps. This figure is an estimate because defendants have destroyed all invoices and other evidence of sales of NO-TWIST clamps for the years 1977 and 1978.

31. To the extent any Conclusions of Law are deemed to be Findings of Fact, they are hereby incorporated into these Findings of Fact.

CONCLUSIONS OF LAW

1. To prove that a product configuration trademark has been infringed in violation of Section 43(a) of the Lanham Act or, in this case, the common law, a claimant must establish three elements: (a) that the product configuration of the two competing products is confusingly similar; (b) that the appropriated features of the product configuration are primarily non-functional; and (c) that the product configuration has obtained secondary meaning. *Vuitton et Fils S.A. v. J. Young Enterprises, Inc.*, 644 F.2d 769, 772 (9th Cir. 1981). Thus, if the configuration of the clamps primarily is functional, then the clamps cannot be protected under trademark law.

2. Clamp has an incontestable registration for KANT-TWIST clamps (15 U.S.C. § 1065).

3. Once a trademark achieves incontestable status, it is presumed to have secondary meaning, and any action of an incontestable trademark to enjoin infringement may not be defended on the ground that the mark is merely descriptive. *Park 'N' Fly, Inc. v. Dollar Park and Fly, Inc.*, 469 U.S. 189 (1985).

4. The exterior design configuration of a product can be protected under the provisions of §43(a) of the Lanham Act if the configuration is unique, distinctive and non-functional, and has acquired secondary meaning in the marketplace. *Truck Equipment Service Co. v. Fruehauf Corp.*, 536 F.2d 1210 (8th Cir.), cert. denied, 429 U.S. 861 (1976).

5. In considering whether there is a likelihood of confusion between the design configurations of plaintiff Clamp and the identical configurations adopted by the Enco defendants, this Court must consider several factors, including the similarity of appearance, the cost of goods in question, the marketing channels used, evidence of actual confusion and evidence of the intention of the defendant in selecting and using the infringing marks. *AMF, Inc., v. Sleekcraft Boats*, 599 F.2d 341, 354 (9th Cir. 1979).

6. The copying by the Enco defendants raises the presumption that the public is likely to be confused and once intent to cause confusion is established, the Court will presume that the infringer accomplished his purpose. *Fleischmann Distilling Corp. v. Maier Brewing Co.*, 314 F.2d 149 (9th Cir.), *cert. denied*, 374 U.S. 830 (1963).

7. Actual evidence of confusion, as has been demonstrated herein, is the best evidence of likelihood of confusion and, while actual confusion is not required, very little proof of actual confusion will be necessary to prove likelihood of confusion. *Union Carbide Corp. v. Ever-Ready, Inc.*, 531 F.2d 366, 383 (7th Cir.), *cert. denied*, 429 U.S. 830 (1976).

8. The overall appearance given by the Enco defendants' NO-TWIST clamps is so similar to plaintiff Clamp's KANT-TWIST clamps that an average consumer would confuse the Enco defendants' product for plaintiff's product. *Faberge, Inc. v. Saxony Products, Inc.*, 605 F.2d 426, 428 (9th Cir. 1979); *Audio Fidelity, Inc. v. High Fidelity Records, Inc.*, 283 F.2d 551, 557 (9th Cir. 1960).

9. The nearly thirty years of continuous use, advertising, promotion and sale of the design configuration of the line of KANT-TWIST cantilevered "C" clamps manufactured by Clamp and the extent of efforts made by Clamp in promoting the conscious connection, in the public's mind, between the design configuration and the KANT-TWIST cantilevered clamp demonstrates the requisite secondary meaning for production under section 43 of the Lanham Act. *Carter Wallace, Inc. v. Proctor & Gamble, Inc.*, 434 F.2d 794, 802 (9th Cir. 1970); *HMH Publishing Co., Inc. v. Brincat*, 504 F.2d 713, 718 (9th Cir. 1974); *Faberge, Inc. v. Saxon Products, Inc.*, 605 F.2d 426, 428 (9th Cir. 1979).

10. Both Clamp's KANT-TWIST clamps and Enco's NO-TWIST clamps compete in the telephone and mail order market, and they are virtually identical when encountered in that market.

11. The Enco defendants' wrongful activity in filling orders identified by plaintiff's catalogs' number and trademark with products not made by plaintiff constitutes false description and representation of goods, false advertising, and actionable unfair competition in violation of section 43(a) of the Lanham Act. *Smith v. Montor*, 648 F.2d 602, 604 (9th Cir. 1981).

12. The copying of plaintiff's distinctive clamp design, packaging trade dress and trademark, separately or in combination, creates a false designation of origin description in violation of section 43(a) of the Lanham Act. *Sutton Cosmetics (P.R.), Inc. v. Lander Co., Inc.*, 455 F.2d 285 (2d Cir. 1972).

13. There is no showing that the overall design of the KANT-TWIST cantilevered "C" clamps is so superior in function or economy of manufacture that recognition of that design as a trademark would hinder competition in the cantilevered "C" clamp trade. *In Re Teledyne Industries, Inc.*, 217 U.S.P.Q. 9, 11 (Fed. Cir. 1982). The mere possession of utility is not sufficient reason to deny protection of a design configuration. *In Re Browning*, 217 U.S.P.Q. 933, 935 (T.T.A.B. 1982).

14. "Since the effect upon competition is really the 'crux of the matter,' it is of course, significant that there are other alternatives available. . . ." *In Re Teledyne Industries, Inc.*, 217 U.S.P.Q. 9 (Fed. Cir. 1982).

15. Defendants failed to meet their burden of proof on the defense of functionality.

16. Even if the issue of functionality were part of plaintiff's affirmative case, plaintiff has met its burden of showing that the design of the clamp is non-functional.

17. There are commercially feasible alternative design configurations for such clamps that could effectively compete in the marketplace.

18. The proper measure of damages in this action is the Enco defendants' profits, as well as any damages which Clamp has sustained as the result of Enco's con-

duct. Damages in trademark infringement and unfair competition cases may also include an award to plaintiff to compensate it for actual business damages and losses caused by the wrong at issue. 15 U.S.C. §1117.

19. In assessing the Enco defendants' profits on sales of the infringing No-TWIST clamps, Clamp need only prove the Enco defendants' sales. The defendants must then prove all elements of costs or deductions claimed. 15 U.S.C. §1117(a); *Wolfe v. National Lead Co.*, 272 F.2d 867, 872 (9th Cir. 1959).

20. A defendant must show that the categories of overhead actually contributed to the sales of the infringing work. *Kamar International*, 752 F.2d at 1332.

21. The amount of infringing sales by the Enco defendants is small, constituting less than one percent, compared to their total sales. Accordingly, no deductions for fixed administrative and operating expenses are allowed. The proportionate share of the overhead is not deductible when sales of the infringing product constitute only a small percentage of the total sales.

22. The defendants in this action offered no evidence concerning how the alleged deductible costs, which were computed on an allocation basis, contributed to the sale of the infringing products.

23. In the absence of mitigating circumstances, income taxes are not proper deductions. *Wolfe v. National Lead Company*, 272 F.2d 867 (9th Cir. 1959).

24. In trademark cases, attorney's fees may be awarded under 15 U.S.C. §1117 only in "exceptional" cases—that is, where the infringement is characterized as malicious, fraudulent, deliberate or willful. *VIP Foods, Inc. v. Vulcan Pet., Inc.*, 675 F.2d 1106, 1107 (10th Cir. 1982); *Brand v. NCC Corp.*, 540 F. Supp. 562, 565 (E.D. Pa. 1982); *Invicta Plastics (USA), Ltd. v. Mego Corp.*, 523 F. Supp. 619, 625 (S.D.N.Y. 1981).

25. This case is not an "exceptional" case as would entitle Clamp to an award of attorney's fees (15 U.S.C. §1117).

26. Injunctive relief is proper for violations of section 43 of the Lanham Act. *Truck Equipment Service Co. v. Freuhauf Corp.*, 536 F.2d 1210 (8th Cir. 1976).

27. The style or design of an article is the proper subject matter for injunctive relief or proprietary rights. *Truck Equipment Service Co. v. Fruehauf Corp.*, 536 F.2d 1210 (8th Cir. 1976).

28. Plaintiff is entitled to recover against the defendants in the amount of \$1,109,977.00 plus pre-judgment interest and costs of suit.

29. To the extent any Findings of Fact are deemed to be Conclusions of Law, they are hereby incorporated into these Conclusions of Law.

DATED: AUGUST 4, 1987.

App. 25

APPENDIX C

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CLAMP MFG. CO.,)	
INC., a California	)	Case No.
corporation,)	
	)	CV 82-4352 (CBM)
Plaintiff,)	
	)	Order Granting
vs.	)	Motion To Correct
)	
ENCO MFG. CO.,	)	Findings of Fact
INC., et al.,	)	And Conclusions
	)	Of Law
Defendants.)	

November 24, 1987, Filed

Defendants' Motion to Correct Findings
of Fact and Conclusions of Law having been
heard before the Honorable Consuelo B.
Marshall on November 23, 1987, Allan

Garbiel of Ervin, Cohen & Jessup appearing for plaintiff and Seymour Rothstein of Allegretti, Newitt, Witcoff & McAndrews, Ltd. appearing for defendants, and the Court having considered the pleadings, papers and evidence presented at the trial of this action, the papers filed in connection with said motion, and having heard oral argument thereon, grants the motion in the following respects and therefore,

IT IS HEREBY ORDERED that Conclusion of Law No. 28 previously entered by this Court on August 4, 1987 and filed on August 10, 1987 shall be modified to state: "Plaintiff is entitled to recover against defendants in the amount of \$578,689.00 (said amount being the gross profit or gross margin amount of defendants as

stipulated between the parties, reflecting a reduction of the cost of the infringing clamps from the gross sales amount), plus pre-judgment interest and costs of suit."

Judge of the United States District
Court, Central District of California

APPENDIX D

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CLAMP MFG. CO., INC., a	)	Case No. CV 82-4352
California corporation,	)	(CBM)
)	
	)	Judgment And
Plaintiff,	)	Permanent Injunction
)	
vs.)	
)	
ENCO MFG. CO., INC.,)	
et al.,)	
)	
Defendants.)	

November 24, 1987, Filed;
November 27, 1987, Entered

This action came on for non-jury trial commencing October 7, 1986 and ending October 17, 1986 before the above-referenced Court, the Honorable Consuelo B. Marshall, District Judge, presiding; Allan Gabriel and Ronald M. St. Marie of Ervin, Cohen & Jessup representing plaintiff, and James M. Amend and Sheri J. Engelken of Kirkland & Ellis representing defendants; the issues having been fully tried, Findings of Fact and Conclusions of Law having been entered, and a decision having been duly rendered,

IT IS ORDERED, ADJUDGED AND DECREED that defendants Enco Mfg. Co., Inc. and Colex, Inc., jointly and severally, their respective officers, employees, agents, suc-

cessors, assigns, servants, and all persons in act of concert and participation with them or controlled by them shall be and are hereby permanently enjoined and restrained from (a) promoting, advertising, selling or offering for sale any cantilevered "C" clamps using or embodying a design configuration which is identical or confusingly similar to the shape, size, appearance, or spectrum of sizes of Clamp Mfg. Co., Inc.'s KANT-TWIST cantilevered "C" clamps; (b) using the No TWIST name, or any other name confusingly similar to Clamp Mfg. Co., Inc.'s "KANT-TWIST" trademark, in connection with the promotion, advertising, offer for sale or sale of any clamps; (c) using any advertising or other promotional material which is confusingly similar in content or format to that used by Clamp Mfg. Co., Inc. In addition, defendants Enco Mfg. Co., Inc. and Colex, Inc., jointly and severally, their respective officers, employees, agents, successors, assigns, servants, and all persons in act of concert and participation with them or controlled by them are hereby ordered to deliver up and destroy all No TWIST cantilevered "C" clamps in their possession or control and to destroy all labels, literature, brochures, advertising signs, prints, packages, wrapper, receptables and other written materials bearing a reproduction of a No TWIST cantilever "C" clamps or the designation No TWIST.

Defendants shall file with this Court and serve upon counsel for plaintiff Clamp Mfg. Co., Inc. within thirty (30) days after service of this JUDGMENT AND PERMANENT INJUNCTION, a report in writing, under oath, setting forth in detail the manner and form in which defendants have complied with this permanent injunction.

IT IS ALSO ORDERED, ADJUDGED AND DECREED that plaintiff Clamp Mfg. Co., Inc. recover from defendants Enco Mfg. Co., Inc. and Colex, Inc., jointly and severally, the sum of \$578,689.00, together with prejudgment interest in the amount of \$378,077.00.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that plaintiff Clamp Mfg. Co., Inc. shall recover against

defendants Enco Mfg. Co., Inc. and Colex, Inc., jointly and severally, its statutory costs in this action per local rule.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that interest shall accrue on the total amount set forth herein at the rate of 6.98% from November 23, 1987.

Dated at Los Angeles, California, on the 24 day of November, 1987.

/s/ CONSUELO B. MARSHALL
Judge of the United States
District Court, Central District
of California

APPENDIX E

UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

CLAMP MANUFACTURING)	
COMPANY, INC.,	)	CA No. 88-5559
)	
Plaintiff-Appellee,	)	DC No.
	)	CV-82-4352-CBM
v.)	
	)	(Central District
ENCO MANUFACTURING	)	of California)
COMPANY, INC.,)	
COLEX, INC.,)	
	)	ORDER
Defendants-Appellants.)	

June 15, 1989, Filed

Before: FARRIS, FERGUSON, and BEEZER,
Circuit Judges.

The panel as constituted in the above case has voted to deny the petition for rehearing. Judges Farris and Beezer have voted to reject the suggestion for a rehearing en banc and Judge Ferguson recommends rejection.

The full court has been advised of the suggestion for an en banc hearing, and no judge of the court has requested a vote on it. Fed. R. App. P. 35(b).

The petition for rehearing is denied and the suggestion for a rehearing en banc is rejected.

APPENDIX F

STATUTORY PROVISIONS INVOLVED

The Lanham Act, 15 U.S.C. §§1111, 1114(1), and 1125(a), provide:

§1111. Notice of registration; display with mark; recovery of profits and damages in infringement suit

Notwithstanding the provisions of section 1072 of this title, a registrant of a mark registered in the Patent Office, may give notice that his mark is registered by displaying with the mark as used the words "Registered in U.S. Patent Office" or "Reg. U.S. Pat. Off." or the letter R enclosed within a circle, thus ®; and in any suit for infringement under this chapter by such a registrant failing to give such notice of registration, no profits and no damages shall be recovered under the provisions of this chapter unless the defendant had actual notice of the registration.

§1114. Remedies; infringement; innocent infringement by printers and publishers

(1) Any person who shall, without the consent of the registrant--

(a) use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or

advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive; or

(b) reproduce, counterfeit, copy, or colorably imitate a registered mark and apply such reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, or advertising of goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive.

shall be liable in a civil action by the registrant for the remedies hereinafter provided. Under subsection (b) of this section, the registrant shall not be entitled to recover profits or damages unless the acts have been committed with knowledge that such imitation is intended to be used to cause confusion, or to cause mistake, or to deceive.

§1125. False designations of origin and false descriptions forbidden

(a) Any person who shall affix, apply, or annex, or use in connection with any goods or services, or any container or containers for goods, a false designation of origin, or any false description or representation, including words or other

symbols tending falsely to describe or represent the same, and shall cause such goods or services to enter into commerce, and any person who shall with knowledge of the falsity of such designation of origin or description or representation cause or procure the same to be transported or used in commerce or deliver the same to any carrier to be transported or used, shall be liable to a civil action by any person doing business in the locality falsely indicated as that of origin or in the region in which said locality is situated, or by any person who believes that he is or is likely to be damaged by the use of any such false description or representation.

The Patent Act, 35 U.S.C. §§112, 154, and 287 provide:

§112. Specification

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention.

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

A claim may be written in independent or, if the nature of the case admits, in dependent or multiple dependent form.

Subject to the following paragraph, a claim in dependent form shall contain a reference to a claim previously set forth and then specify a further limitation of the subject matter claimed. A claim in independent form shall be construed to incorporate by reference all the limitations of the claim to which it refers.

A claim in multiple dependent form shall contain a reference, in the alternative only, to more than one claim previously set forth and then specify a further limitation of the subject matter claimed. A multiple dependent claim shall not serve as a basis for any other multiple dependent claim. A multiple dependent claim shall be construed to incorporate by reference all the limitations of the particular claim in relation to which it is being considered.

An element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure, material, or acts in support thereof, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof.

§154. Contents and term of patent

Every patent shall contain a short title of the invention and a grant to the patentee, his heirs or assigns, for the term of seventeen years, subject to the payment of fees as provided for in this title, of the right to exclude others from making, using, or selling the invention throughout the United States, referring to the specification for the particulars thereof. A copy of the specification and drawings shall be annexed to the patent and be a part thereof.

§287. Limitation on damages; marking and notice

Patentees, and persons making or selling any patented article for or under them, may give notice to the public that the same is patented, either by fixing thereon the word "patent" or the abbreviation "pat.", together with the number of the patent, or when, from the character of the article, this can not be done, by fixing to it, or to the package wherein one or more of them is contained, a label containing a like notice. In the event of failure so to mark, no damages shall be recovered by the patentee in any action for infringement, except on proof that the infringer was notified of the infringement and continued to infringe thereafter, in which event damages may be recovered only for infringement occurring after such notice. Filing of an action for infringement shall constitute such notice.

Rule 52(a) of the Federal Rules of Civil Procedure provides:

Rule 52. Findings by the Court

(a) Effect. In all actions tried upon the facts without a jury or with an advisory jury, the court shall find the facts specially and state separately its conclusions of law thereon, and judgment shall be entered pursuant to Rule 58; and in granting or refusing interlocutory injunctions the court shall similarly set forth the findings of fact and conclusions of law which constitute the grounds of its action. Requests for findings are not necessary for purposes of review. Findings of fact, whether based on oral or documentary evidence, shall not be set aside unless clearly erroneous, and due regard shall be given to the opportunity of the trial court to judge of the credibility of the witnesses. The findings of a master, to the extent that the court adopts them, shall be considered as the findings of the court. It will be sufficient if the findings of fact and conclusions of law are stated orally and recorded in open court following the close of the evidence or appear in an opinion or memorandum of decision filed by the court. Findings of fact and conclusions of law are unnecessary on decisions of motions under Rules 12 or 56 or any other motion except as provided in Rule 41(b).

APPENDIX G

United States Patent Office

2,726,694
Patented Dec. 13, 1955

2,726,694

SINGLE SCREW ACTUATED PIVOTED CLAMP

John N. Saxton, Baldwin Park, Calif.

Application February 4, 1952, Serial No. 269,755

2 Claims. (Cl. 144-302)

The present invention relates to clamps.

The average clamp usually has its operating members so related that the clamp is not easily positioned on work of different forms. The present clamp incorporates a thrust screw for operating a pair of jaws, the thrust screw at all times so moving the jaws as to avoid the work and not be impeded in its movement by the work. A small clamp of the present invention is capable of securing work between the jaws with a maximum compression and regardless of the position of the jaws.

An object of the invention is the provision of a clamp which is easily applied to work, of few parts, of great strength, foolproof in operation, and generally superior to clamps now known to the inventor.

In the drawings:

Fig. 1 is a side elevation of the clamp;

Fig. 2 is a view similar to Fig. 1, the jaws of the clamp being in moved position;

Fig. 3 is a top plan view of the clamp in the position shown in Fig. 2;

Fig. 4 is a fragmentary sectional view on the line 4-4 of Fig. 2;

Fig. 5 is a fragmentary sectional view on the line 5-5 of Fig. 4;

Fig. 6 is a fragmentary sectional view on the line 6-6 of Fig. 2; and

Fig. 7 is a perspective view on a jaw block.

Referring now with particularity to the drawing, I have provided a pair of members 1 and 2, of which 3 and 4 constitute arms and 5 and 6 jaws associated with the arms. Each member 1 and 2 is preferably formed of two spaced parts of identical form and maintained in substantial parallelism, as illustrated in Fig. 3 at 7, 8, 9 and 10. The pair of parts shown at 9 and 10 for the member 2 is secured by a pin 11 at its end between the parts 7 and 8 of the arm 3 and intermediate the ends of said arm 3. Preferably a spacer sleeve or bushing surrounds the pin 11 between the portions 9 and 10 at 12. As shown, the jaws 5 and 6 are substantially in right angular relationship to their respective arms 3 and 4 and an elongated thrust screw 13 is passed through a revoluble nut 14 pinned at 15 and 16 between the parts 7 and 8 of arm 3. The inner end of said thrust screw is provided with a coaxial reduced diameter extension 17, which extension is formed with an annular groove 18, with said extension received within bore 19 of a spacer block 20, pinned at 21 between the parts 9 and 10 of arm 4, and whereby said spacer block 20 may revolve between said parts. The spacer block is tapped to receive a screw or fitted pin 22 bearing against a ball in part received within groove 18 to hold the said reduced diameter extension 17 within said spacer block and for turning movement relative thereto. The outermost end of said thrust screw 13 carries a handle 23 of any form.

The bight portion of member 1 has its parts 7 and 8 separated by means of a sleeve or bushing held in place by a pin 24. Carried by the jaws 5 and 6 and interposed between the parts 9 and 10, and 7 and 8, respectively, are jaw blocks 25, 26. These blocks are parallelepipeds and the block 26 has one face provided with a transverse V-groove 27, while an opposite face is provided with a V-groove 28 in substantially right angular relationship to the

groove 27, the other faces being plane. The jaw blocks are swingingly mounted to their respective jaws by means of pins 29 and 30.

The operation, uses and advantages of the clamp just described are as follows:

One size clamp of the invention is substantially that shown in the drawing by Figures 1 and 2, and wherein it will be observed that the two jaws are capable of separation to an extent substantially equal to the length of the arm 3, or the jaws may be brought together as shown in Figure 2. The arm length between the pin points shown at 24 and 15 is approximately $4\frac{1}{2}$ inches, whereby this clamp is capable of engaging and holding work of considerable thickness. As the clamp is easily handled, due to its compact nature, it readily lends itself to securing work of different sizes and at places ordinarily difficult of access. It is to be observed that the thrust screw 13 at all times moves substantially parallel to the plane bisecting the space between the jaws and including the axis of the pivot pin 11. Thus, when the blocks are engaging work, the thrust screw is parallel to said faces, under the assumption that the work engaging faces of said blocks are parallel, and regardless of separation or approach of the jaws 5 and 6, as seen in Fig. 2. This method of moving the jaws assures that the thrust screw is at all times out of the way of the work engaged. Furthermore, the thrust screw by operating at the end of the arm 3 and at the bight portion between arm 4 and jaw 6 assures a proper leverage for moving the respective jaws into work engagement and under any desired compression. Hence, the jaws may tightly engage the work, whether the jaws are nearly closed or at the point of greatest separation.

I claim:

1. A clamp including a pair of opposed clamping members, each member including an arm portion and a jaw portion at a sharp right angle to said arm portion, the arm portion of one member being substantially twice the length of the arm portion of the other member, means pivotally connecting the terminal of the shorter arm portion at a point intermediate the length of the longer arm

portion, said longer arm portion terminating in spaced relation to the apex of the other right angular arm and jaw portion in a straight line parallel to the plane bisecting the space between the jaws and including the axis of the pivotal connection of the arms, a trunnion nut carried by said extremity, a single operating elongated thrust screw for the arms and jaws carried by the trunnion nut, and the inner end of said thrust screw having a swivel connection with the apex of the shorter arm and jaw and movable at all times in a straight line at a right angle to the movement of the jaws whereby said straight line movement imposes an equal pressure thrust upon each jaw due to the leverage obtained by the single screw.

2. The device set forth in claim 1 characterized in that: the arm and jaw of each member comprises two spaced parallel parts.

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1,515,286	Svebilus -----	Nov. 11, 1924
2,374,899	Sasgen -----	May 1, 1945

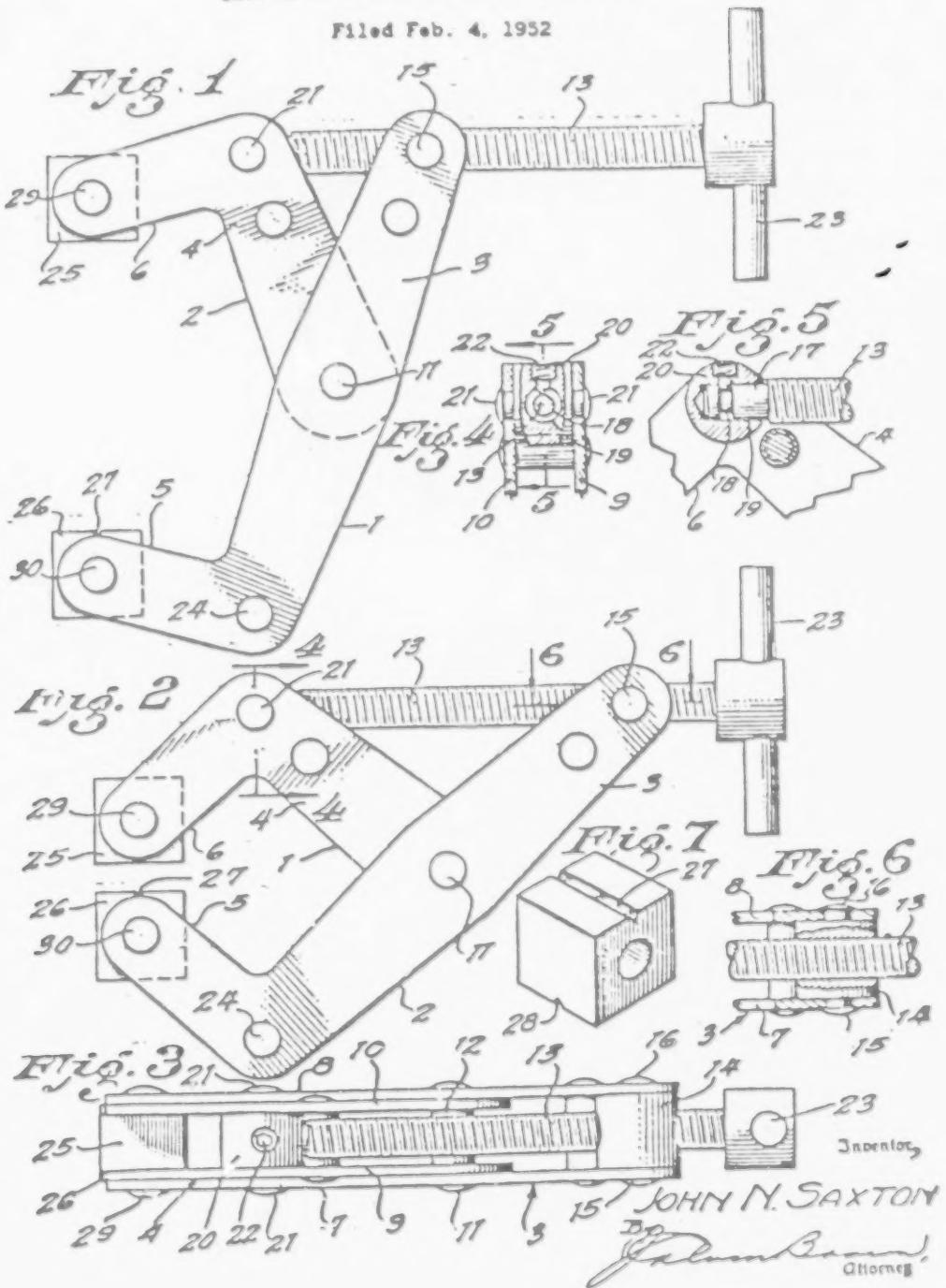
Dec. 13, 1955

J. N. SAXTON

2,726,694

SINGLE SCREW ACTUATED PIVOTED CLAMP

Filed Feb. 4, 1952



App. 43

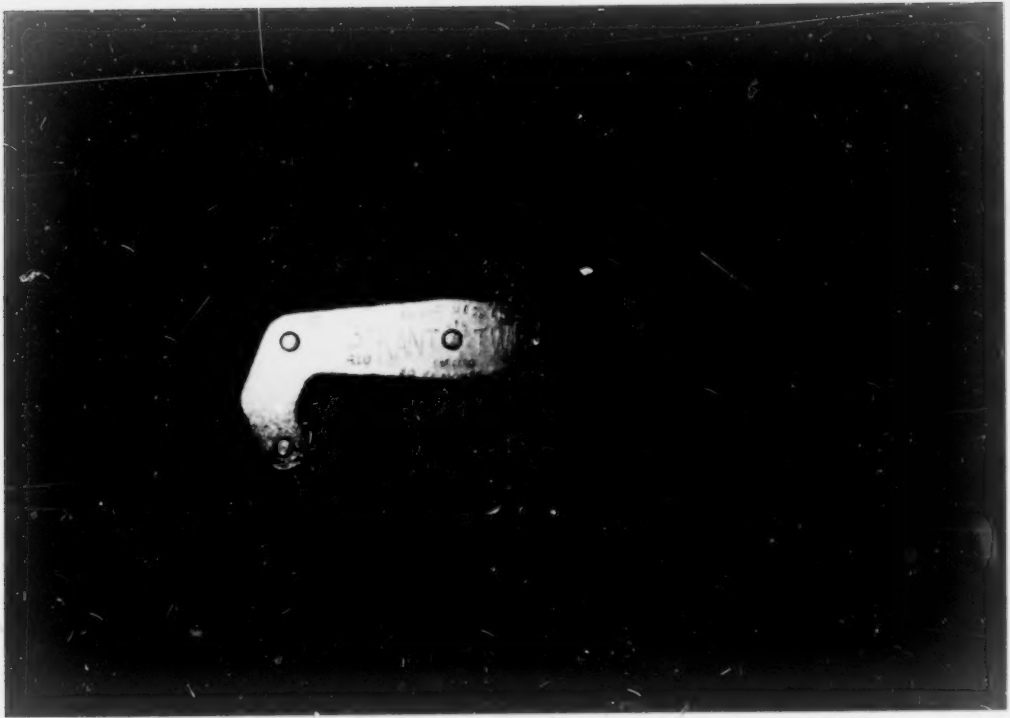
APPENDIX H



Enco's Clamp

App. 44

APPENDIX I



Clamp's Clamp

